

HOUSE BILL NO. 379

INTRODUCED BY RIPLEY, ANDERSEN, BARRETT, BERGREN, BITNEY, BOOKOUT-REINICKE,
 D. BROWN, R. BROWN, BRUEGGEMAN, E. CLARK, CYR, DEVLIN, EVERETT, FISHER, FUCHS, HAWK,
 HEDGES, JACKSON, KASTEN, LAMBERT, LEHMAN, MAEDJE, MAHLUM, MATTHEWS, MCCARTHY,
 MCGEE, MCKENNEY, MCNUTT, MENDENHALL, MOOD, NELSON, O'NEIL, A. OLSON, B. OLSON,
 PATTISON, PETERSON, RICE, ROBERTS, ROME, ROSS, SCHRUMPF, SHEA, SINRUD, SMITH,
 STEINBEISSER, TESTER, B. THOMAS, F. THOMAS, WAITSCHIES, WINDY BOY, WITT, YOUNKIN,
 TAYLOR

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR THE RIGHTS OF ALTERNATIVE LIVESTOCK
 RANCHES; AUTHORIZING ALTERNATIVE LIVESTOCK RANCHES TO OPERATE PURSUANT TO
 PROVISIONS OF LAW IN EFFECT PRIOR TO THE PASSAGE OF INITIATIVE MEASURE NO. 143;
~~PROVIDING FOR~~ REQUIRING A LOCAL OPTION ELECTION REGARDING TRANSFER OF ALTERNATIVE
LIVESTOCK RANCH LICENSES AND HARVESTING OF ALTERNATIVE LIVESTOCK FOR A FEE OR OTHER
REMUNERATION; SUPERSEDING THE UNFUNDED MANDATE LAWS; AMENDING SECTIONS 7-5-136,
87-4-412, AND 87-4-417, AND 87-4-428, MCA; REPEALING SECTIONS 87-4-414 AND 87-4-433, MCA;
~~PROVIDING AN APPROPRIATION;~~ AND PROVIDING AN IMMEDIATE EFFECTIVE DATE, ~~AND A~~
~~RETROACTIVE APPLICABILITY DATE, AND A TERMINATION DATE.~~"

WHEREAS, the alternative livestock ranchers in Montana applied for and received licenses from the
 State of Montana after relying on the status of existing laws and upon the encouragement of the Legislature and
 past administrations that alternative livestock ranching was a viable agricultural diversification; and

WHEREAS, the alternative livestock ranchers who obtained licenses prior to the passage of Initiative
 Measure No. 143 had vested property rights and have invested millions of dollars in their business licenses,
 animals, real property, and facilities; and

WHEREAS, the passage of Initiative Measure No. 143 substantially impaired and prohibited the intended
 business purposes for most, if not all, alternative livestock ranchers in Montana; and

WHEREAS, there are serious financial consequences to Montana should Initiative Measure No. 143
 constitute an unconstitutional taking of private property without just compensation; and

WHEREAS, this act is intended to reduce the state of Montana's liability should a court find that Initiative

1 Measure No. 143 is an unconstitutional taking of private property without just compensation.

2

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

4

5 **NEW SECTION. Section 1. Rights of alternative livestock ranch -- alternative livestock as private**

6 **property -- source.** (1) An alternative livestock ranch has vested property rights in its alternative livestock ranch

7 license, alternative livestock, facilities, real property, and the goodwill of business created. An alternative

8 livestock ranch may:

9 ~~——(a) acquire, breed, grow, keep, pursue, handle, harvest, use, sell, harvest for a fee or other~~
10 ~~remuneration, or dispose of the alternative livestock and their progeny in any quantity and at any time of year;~~

11 SUBJECT TO [SECTION 7], AN ALTERNATIVE LIVESTOCK RANCH MAY:

12 ~~(b)(A) transfer their ITS alternative livestock ranch licenses to third parties; LICENSE TO A THIRD PARTY; AND~~

13 **and**

14 ~~(c) modify the alternative livestock ranch facilities.; AND~~

15 ~~(D)(B) SUBJECT TO [SECTION 7], HARVEST ALTERNATIVE LIVESTOCK FOR A FEE OR OTHER REMUNERATION.~~

16 (2) All alternative livestock lawfully possessed on a licensed alternative livestock ranch are private
17 property for which the licensee is responsible as provided by law.

18 (3) Alternative livestock must be lawfully acquired by the licensee. Alternative livestock may be kept only
19 on a licensed alternative livestock ranch. A licensee who keeps alternative livestock owned by, leased to, or
20 leased from another person shall comply with all of the requirements of this part as if the animal belonged to the
21 licensee. Records and reports submitted by the licensee pursuant to 87-4-417 must identify any alternative
22 livestock kept by the licensee during the reporting period and the name and address of the owner or lessee.

23 (4) Except as otherwise provided in this part, laws applicable to game animals do not apply to
24 alternative livestock raised on a licensed alternative livestock ranch.

25

26 **NEW SECTION. Section 2. Marking of alternative livestock.** (1) A licensee shall mark alternative

27 livestock in a manner approved by the department of livestock, as required under subsection (2), and that

28 indicates ownership and provides individual identification of animals for inspection, transportation, reporting, and
29 taxation purposes.

30 (2) The department of livestock is responsible for the control, tracking, and distribution of identification

1 tags used for the marking of alternative livestock. The department of livestock shall require that all imported
2 alternative livestock be marked within 30 days of importation and that all other alternative livestock be marked
3 prior to January 1 of each year. Alternative livestock must be marked with identification that:

4 (a) is unique to the animal;

5 (b) is nontransferable;

6 (c) has an emblem owned and registered by the department of livestock that is embossed on each
7 identification tag; and

8 (d) allows for the identification of alternative livestock from a distance.

9 (3) Upon the request of a licensee, the department of livestock may grant a temporary waiver as to the
10 time for identification and to the manner of identification if necessary to address a special circumstance.

11

12 **SECTION 3. SECTION 7-5-136, MCA, IS AMENDED TO READ:**

13 **"7-5-136. Submission of question to electors.** (1) Any ordinance proposed by petition, any amended
14 ordinance proposed by petition, or any referendum on an ordinance entitled to be submitted to the electors must
15 be voted on at the next regular election to be held in the local government unless:

16 (a) the petition asks that the question be submitted at a special election and is signed by at least 25%
17 of the electors of the local government, in which case the governing body shall call a special election to be held
18 in conjunction with a regular or primary election; or

19 (b) the governing body calls for a special election on the question to be held in conjunction with a
20 regular or primary election.

21 (2) ~~A~~ Except as provided in [section 7], a special election may not be held sooner than 75 days after
22 the adequacy of the petition is determined by the election administrator or the governing body orders a special
23 election.

24 (3) If the adequacy of the petition is determined by the election administrator less than 75 days prior
25 to the next regular election, the election must be delayed until the following regular election unless a special
26 election is called.

27 (4) Whenever a measure is ready for submission to the electors, the appropriate election administrator
28 shall in writing notify the governing body and shall publish notice of the election and the ordinance that is to be
29 proposed or amended. In the case of a referendum, the ordinance sought to be repealed must be published.

30 (5) The question must be placed on the ballot, giving the electors a choice between accepting or

1 rejecting the proposal.

2 (6) If a majority of those voting favor the proposal, it becomes effective when the election results are
3 officially declared unless otherwise stated in the proposal."

4

5 **Section 4.** Section 87-4-412, MCA, is amended to read:

6 "**87-4-412. Term of license -- renewal --transfer prohibited -- TRANSFERABILITY.** ~~(+) (1)~~ (1) An alternative
7 livestock ranch license expires on March 1 of the year succeeding the year of issuance. Application for renewal
8 must be made before a license expires. The department shall renew the license upon payment of the renewal
9 fee if the licensee has complied with all recording and reporting requirements.

10 ~~(2) An alternative livestock ranch license for a specific facility is not transferable.~~

11 (2) AN IF AUTHORIZED IN THAT COUNTY, AN ALTERNATIVE LIVESTOCK RANCH LICENSE FOR A SPECIFIC FACILITY
12 IS TRANSFERABLE WITH THE CONSENT OF THE DEPARTMENT. THE DEPARTMENT'S CONSENT MUST BE GIVEN IF:

13 (A) THE TRANSFEREE OWNS OR LEASES THE PREMISES ON WHICH THE OPERATIONS ARE TO BE CONDUCTED;

14 (B) THE TRANSFEREE OR THE TRANSFEREE'S PRINCIPAL MANAGER:

15 (I) HAS NOT BEEN CONVICTED OF OR HAS NOT FORFEITED BOND OF \$100 OR MORE FOR MORE THAN ONE
16 VIOLATION OF THE FISH AND GAME LAWS OR APPLICABLE REGULATIONS OF ANY STATE OR THE UNITED STATES WITHIN
17 A 5-YEAR PERIOD PRIOR TO APPLICATION;

18 (II) HAS NOT AT ANY TIME PLEADED GUILTY TO OR BEEN CONVICTED OF A FELONY, UNLESS CIVIL RIGHTS HAVE
19 BEEN RESTORED PURSUANT TO LAW. A PERSON MAY NOT APPLY FOR A TRANSFER AT ANY TIME DURING WHICH A
20 DEFERRED OR SUSPENDED FELONY SENTENCE IS IN EFFECT.

21 (III) IS AT LEAST 18 YEARS OF AGE.

22 (C) THE ALTERNATIVE LIVESTOCK RANCH AND FACILITIES ARE IN COMPLIANCE WITH REQUIREMENTS IN PLACE AT
23 THE TIME THE LICENSE WAS ISSUED;

24 (D) THE ALTERNATIVE LIVESTOCK RANCH IS NOT UNDER QUARANTINE BY THE DEPARTMENT;

25 (E) ALTERNATIVE LIVESTOCK TO BE TRANSFERRED ARE NOT PROHIBITED UNDER THIS PART AND DEPARTMENT
26 RULES; AND

27 (F) THE TRANSFER IS NOT PROPOSED AS A MEANS TO EVADE A REQUIREMENT IMPOSED ON THE LICENSEE."

28

29 **Section 5.** Section 87-4-417, MCA, is amended to read:

30 "**87-4-417. Records and reporting -- rules.** (1) Each alternative livestock ranch licensee shall keep

1 and maintain for 3 years accurate written records of all alternative livestock purchases, transfers, sales, births,
2 and deaths, on forms provided by the department, showing:

3 (a) the number of each species of alternative livestock purchased by the alternative livestock ranch
4 licensee and from whom purchased;

5 (b) the number of each species of alternative livestock transferred or sold, the date of transfer or sale,
6 and the name and address of the person to whom the transfer or sale was made; and

7 (c) individual identification of each alternative livestock that was purchased, transferred, sold, or born
8 or that died. However, a calf or fawn that dies prior to being marked pursuant to ~~87-4-414(4)~~ section 2(2) need
9 not be identified.

10 (2) Unless a different reporting frequency has been established pursuant to subsection (3), within 2
11 weeks after January 1 and July 1 of each year, the alternative livestock ranch licensee shall file a report with the
12 department, showing the number and species of alternative livestock that were on hand as of January 1 and July
13 1 and the number and species of alternative livestock that escaped, that were bought, sold, transferred,
14 recaptured, or born, or that died during the reporting period.

15 (3) The department may establish by rule the conditions under which the frequency of reporting
16 requirements may be reduced to one report a year or increased to three reports a year. The department may
17 establish by rule the conditions under which a licensee may submit an abbreviated report. In adopting those
18 rules, the department shall consider the number of animals present on an alternative livestock ranch, the number
19 of reported transactions during previous reporting periods, a history of accurate recordkeeping, and a historical
20 absence of violations."

21
22 ~~SECTION 5. SECTION 87-4-428, MCA, IS AMENDED TO READ:~~

23 ~~"87-4-428. Right to administrative hearing. (1) A licensee must be given notice and an opportunity~~
24 ~~for a hearing before the department may refuse to renew a license, revoke a license, or discipline a licensee,~~
25 ~~deny a license modification, or issue a license modification with stipulations.~~

26 ~~(2) The notice and an opportunity for a hearing and any judicial appeal must be conducted as provided~~
27 ~~in Title 2, chapter 4, parts 6 and 7."~~

28
29 ~~NEW SECTION. SECTION 6. CRITERIA FOR MODIFICATION OF LICENSE. (1) A NEW ALTERNATIVE LIVESTOCK~~
30 ~~RANCH LICENSE MAY NOT BE ISSUED IN THIS STATE.~~

1 ~~_____ (2) AN APPLICATION FOR AN ALTERNATIVE LIVESTOCK RANCH LICENSE MODIFICATION MAY BE DENIED IN ITS~~
 2 ~~ENTIRETY OR ISSUED WITH STIPULATIONS IF NECESSARY TO PREVENT PUBLIC SAFETY HAZARDS OR SIGNIFICANT NEGATIVE~~
 3 ~~IMPACTS TO MONTANA'S WILDLIFE RESOURCES. DENIAL OF AN APPLICATION OR STIPULATIONS ATTACHED TO A LICENSE~~
 4 ~~MODIFICATION MUST BE BASED ON ONE OR MORE OF THE FOLLOWING POTENTIAL IMPACTS ATTRIBUTED TO THE PHYSICAL~~
 5 ~~LOCATION OF THE ALTERNATIVE LIVESTOCK RANCH:~~

6 ~~_____ (A) SUBSTANTIAL LOSS OR DESTRUCTION OF CRITICAL SEASONAL GAME ANIMAL HABITAT OR HABITAT OF~~
 7 ~~FEDERALLY DESIGNATED THREATENED OR ENDANGERED SPECIES UNDER THE ENDANGERED SPECIES ACT OF 1973, 16~~
 8 ~~U.S.C. 1531, ET SEQ., INCLUDING BUT NOT LIMITED TO CRITICAL BREEDING, BIRTHING, REARING, AND WINTERING AREAS;~~

9 ~~_____ (B) BLOCKAGE OR DISRUPTION OF MAJOR TRADITIONAL SEASONAL MIGRATION CORRIDORS OR MAJOR TRAVEL~~
 10 ~~ROUTES;~~

11 ~~_____ (C) AN UNACCEPTABLE THREAT OF INTRODUCTION OR TRANSMISSION OF SERIOUS DISEASES OR PARASITES TO~~
 12 ~~NATIVE WILDLIFE POPULATIONS, AS DETERMINED BY THE STATE VETERINARIAN APPOINTED PURSUANT TO 81-1-301;~~

13 ~~_____ (D) AN UNACCEPTABLE THREAT OF ESCAPE OF ALTERNATIVE LIVESTOCK AND ESTABLISHMENT OF FERAL~~
 14 ~~POPULATIONS THAT WOULD RESULT IN HABITAT DAMAGE OR COMPETITION WITH OR GENETIC HYBRIDIZATION OF NATIVE~~
 15 ~~WILDLIFE POPULATIONS;~~

16 ~~_____ (3) THE DENIAL OF AN APPLICATION FOR LICENSE MODIFICATION OR THE ISSUANCE OF A LICENSE MODIFICATION~~
 17 ~~WITH STIPULATIONS MUST BE BASED ON SUBSTANTIVE AND CREDIBLE EVIDENCE.~~

18 ~~_____ (4) AN APPLICATION FOR A LICENSE MODIFICATION MAY NOT BE FOR THE PURPOSE OF CHARGING A FEE FOR THE~~
 19 ~~HARVEST OF ALTERNATIVE LIVESTOCK.~~

20 ~~_____ (5) IF THE DEPARTMENT DETERMINES THAT IT WILL PROPOSE TO DENY AN APPLICATION FOR A LICENSE~~
 21 ~~MODIFICATION OR ISSUE A LICENSE MODIFICATION WITH STIPULATIONS, THE APPLICANT MUST BE GIVEN AN OPPORTUNITY~~
 22 ~~TO MAKE CHANGES TO THE APPLICATION WITHIN 30 DAYS OF RECEIPT OF THE DEPARTMENT'S WRITTEN DETERMINATION~~
 23 ~~IN ORDER TO MITIGATE OR CORRECT ANY PROBLEMS OR DEFICIENCIES. THE DEPARTMENT SHALL RECONSIDER THE~~
 24 ~~APPLICATION WITH THE PROPOSED CHANGES WITHIN 30 DAYS OF RECEIPT OF CHANGES TO THE APPLICATION BEFORE~~
 25 ~~GRANTING, PROPOSING TO DENY, OR PROPOSING TO ISSUE A LICENSE MODIFICATION WITH STIPULATIONS.~~

26 ~~_____ (6) (A) AN APPLICANT MAY REQUEST THAT THE ALTERNATIVE LIVESTOCK ADVISORY COUNCIL REVIEW A~~
 27 ~~DEPARTMENT PROPOSAL TO DENY AN APPLICATION FOR A LICENSE MODIFICATION OR TO ISSUE A LICENSE MODIFICATION~~
 28 ~~WITH STIPULATIONS BY PETITIONING THE ALTERNATIVE LIVESTOCK ADVISORY COUNCIL FOR REVIEW WITHIN 10 DAYS OF~~
 29 ~~THE DEPARTMENT'S PROPOSED DECISION. THE ALTERNATIVE LIVESTOCK ADVISORY COUNCIL SHALL ISSUE A~~
 30 ~~RECOMMENDATION TO THE COMMISSION TO EITHER GRANT THE LICENSE MODIFICATION, PROPOSE TO DENY THE LICENSE~~

1 ~~MODIFICATION, OR ISSUE THE LICENSE MODIFICATION WITH STIPULATIONS.~~

2 ~~—— (B) UPON RECEIPT OF THE ALTERNATIVE LIVESTOCK ADVISORY COUNCIL'S RECOMMENDATION PURSUANT TO~~
 3 ~~SUBSECTION (6)(A), THE COMMISSION SHALL DECIDE WHETHER TO GRANT THE LICENSE MODIFICATION, PROPOSE TO DENY~~
 4 ~~THE LICENSE MODIFICATION, OR ISSUE THE LICENSE MODIFICATION WITH STIPULATIONS. THE COMMISSION DECISION THEN~~
 5 ~~BECOMES THE DEPARTMENT'S PROPOSED DECISION, SUBJECT TO AN OPPORTUNITY FOR HEARING PURSUANT TO~~
 6 ~~87-4-428.~~

7 ~~—— (7) THE DEPARTMENT MAY ESTABLISH BY RULE ADDITIONAL CRITERIA FOR LICENSE MODIFICATIONS.~~

8
 9 NEW SECTION. SECTION 6. LABORATORY FEE REQUIRED. A LICENSED ALTERNATIVE LIVESTOCK RANCH THAT
 10 IS AUTHORIZED TO HARVEST ALTERNATIVE LIVESTOCK FOR A FEE OR OTHER REMUNERATION SHALL PAY \$100 FOR EACH
 11 ANIMAL THAT IS HARVESTED TO THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS TO BE USED FOR THE PURPOSE OF
 12 ESTABLISHING A LIVE TEST AND FINDING A CURE FOR CHRONIC WASTING DISEASE. THE \$100 PAYMENT IS IN ADDITION
 13 TO ANY FEE ASSOCIATED WITH COLLECTION AND SAMPLING OF TISSUE THAT IS REQUIRED FOR DISEASE TESTING.

14
 15 NEW SECTION. SECTION 7. LOCAL OPTION ELECTION FOR HARVEST OF ALTERNATIVE LIVESTOCK FOR FEE
 16 OR OTHER REMUNERATION. (1) THE COUNTY COMMISSIONERS OF EACH COUNTY SHALL EITHER AUTHORIZE OR PROHIBIT
 17 SUBMIT TO THE QUALIFIED ELECTORS OF A COUNTY THAT HAS A LICENSED ALTERNATIVE LIVESTOCK RANCH WITHIN ITS
 18 BOUNDARIES A REFERENDUM ON THE QUESTION OF WHETHER THE TRANSFER OF ALTERNATIVE LIVESTOCK RANCH
 19 LICENSES AND THE HARVEST OF ALTERNATIVE LIVESTOCK FOR A FEE OR OTHER REMUNERATION WILL BE ALLOWED WITHIN
 20 THAT COUNTY.

21 (2) THE COUNTY COMMISSIONERS' DETERMINATION IS SUBJECT TO THE INITIATIVE AND REFERENDUM PROVISIONS
 22 OF 7-5-131 THROUGH 7-5-137 REFERENDUM MUST BE SUBMITTED TO THE QUALIFIED ELECTORS AT A SPECIAL ELECTION
 23 TO BE HELD IN CONJUNCTION WITH THE SCHOOL ELECTION HELD ON MAY 6, 2003. THE REFERENDUM MUST BE SUBMITTED
 24 TO THE QUALIFIED ELECTORS IN EACH COUNTY THAT HAS A LICENSED ALTERNATIVE LIVESTOCK RANCH WITHIN ITS
 25 BOUNDARIES IN THE FORM PROVIDED FOR IN [SECTION 16].

26
 27 NEW SECTION. SECTION 8. Repealer. Sections 87-4-414 and 87-4-433, MCA, are repealed.

28
 29 NEW SECTION. SECTION 9. UNFUNDED MANDATE LAW SUPERSEDED. AS PROVIDED IN 1-2-112(2), [THIS ACT]
 30 EXPRESSLY SUPERSEDES THE PROVISIONS OF 1-2-112 AND 1-2-114.

